



Brownfields Cleanup Revolving Loan Fund Pilot

Arkansas Department of Environmental Quality

BACKGROUND

Arkansas' economy historically was dominated by agriculture. The state's manufacturing base began to grow in the mid-1950s, particularly in the food-related, forest, and apparel sectors, creating higher paying jobs for state residents. However, in the mid-1980s, declines in manufacturing industries and rapid growth in the service sector increased the number of low-paying jobs in the state. Arkansas' per capita income ranks 49th in the nation. Almost 16% of the population lives below the poverty level.

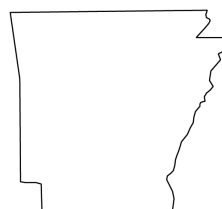
Almost 90% of Arkansas is cropland, pastureland, and woodland. The state recognizes that continued development of these lands will detract from the character of the state and restrict use of fertile agricultural lands to future generations. The recycling of previously developed properties is the only way to protect pristine lands from encroaching development. The state legislature created a voluntary cleanup program in 1997, giving the Arkansas Department of Environmental Quality (ADEQ) the authority to certify cleanups conducted under the program and to limit the future liability of property owners. Arkansas is committed to the appropriate cleanup and reuse of brownfields and continues to investigate ways of improving its brownfields program.

BCRLF OBJECTIVES

The primary goals of the BCRLF Pilot are to provide qualified applicants with the necessary capital to conduct cleanups of contaminated properties. It is hoped that successful cleanups conducted with the use of BCRLF loans will encourage private lending institutions to reevaluate their lending policies and provide financial assistance for environmental cleanups.

Properties throughout the state will be eligible for BCRLF loans. Priority will be given to sites in federal Enterprise Communities and Empowerment Zones, underserved areas

PILOT SNAPSHOT



State of Arkansas

Date of Announcement:
May 2002

Amount: \$1,000,000

BCRLF Target Area:
Brownfields throughout the State
of Arkansas

Contacts:

Arkansas Department of
Environmental Quality
(501) 682-0833

Region 6 Brownfields
Coordinator
(214) 665-6688

Visit the EPA Region 6 Brownfields web site at:
<http://www.epa.gov/earth1r6/6sf/bfpages/sfbfhome.htm>

For further information, including specific Pilot contacts,
additional Pilot information, brownfields news and events, and
publications and links, visit the EPA Brownfields web site at:
www.epa.gov/brownfields

of the state, and sites that have been assessed through the Brownfields Assessment Pilots in the state. Target borrowers are public and private developers. Projects will be selected based on the advantages the project will bring to the general public.

FUND STRUCTURE AND OPERATIONS

The Arkansas Department of Environmental Quality is the cooperative agreement recipient and will serve as the

lead agency and site manager. The Arkansas Development Finance Authority will serve as the fund manager.

LEVERAGING OTHER RESOURCES

Identifying and securing sources of funding for cleanup and redevelopment, together with the use of in-kind services provided by the state, will be used to leverage private investments in brownfields cleanup and redevelopment. An additional source of funding includes the state Clean Water and Drinking Water Revolving Loan Funds, which are available to municipalities for cleanup activities where there is a potential to pollute waters of the state. Other potential federal funds include Economic Development Administration grants, HUD Brownfields Economic Development Initiative grants, and U.S. Army Corps of Engineers services.

Use of BCRLF Pilot funds must be in accordance with CERCLA, and all CERCLA restrictions on use of funding also apply to BCRLF funds.